GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:2316
ANSWERED ON:13.03.2006
BOARD FOR RECONSTRUCTION OF PSE
Kaushal Shri Raghuvir Singh;Mandal Shri Sanat Kumar

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a)Whether any Board has been set up by the Government for Reconstruction of Public Sector Enterprises;

(b) If so, the details thereof and how it differs from the Board for Industrial and Financial Reconstruction;

(c) The number of cases referred to this Board and the number of cases settled so far; and

(d) The extent to which the Board is effective in settling the cases referred to it?

Answer

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) & (b): Government of India, vide its Resolution dated 6th December 2004, had constituted a Board for Reconstruction of Public Sector Enterprises

(BRPSE) to address the task of strengthening, modernizing, reviving and restructuring of Public Sector Enterprises and advise the Government on strategies, measures and schemes related to them. Board for Industrial and Financial Reconstruction (BIFR) is a statutory body set up under the Sick Industrial Companies (Special Provisions) Act (SICA), 1985 to sanction suitable revival/rehabilitation packages in respect of sick industrial companies (both CPSEs as well as Private Sector companies) as defined in SICA. BRPSE may advise Government on ways and means of strengthening the PSEs and making them more autonomous and professional. It may also consider the cases of non-industrial as well as incipient sick CPSEs and make suitable recommendations relating to them. The recommendations of BRPSE are advisory in nature.

(c) & (d): Since the constitution of BRPSE, 41 cases of PSEs have been referred to BRPSE. BRPSE has so far held 32 meetings till February 2006 and considered 34 cases. The Board has given its recommendations in respect of 29 cases and remitted the remaining 5 cases to the administrative Ministries/Departments for further information.